

February 13, 2023



Chair Gomez
Members of the House Tax Committee
Minnesota House of Representatives
100 Rev. Dr. Martin Luther King Jr. Blvd
Saint Paul, MN 55155

Re: MN HF 1488 Historic tax credit program

Chair Gomez and Members of the House Tax Committee:

On behalf of the Minnesota Bankers Association (MBA), I would like to express our support for HF 1488 which will be heard in the House Tax Committee on February 14, 2023.

HF 1488 would extend the existing state historic tax credit program and make changes to provide additional flexibility. Specifically, shortening the credit period and allowing for an additional transfer of the credit will make the program more attractive to a larger number of participants. In turn, this will increase competition, drive up pricing and draw more investment to the state.

This program encourages public-private partnerships to help spur economic development in the state. Like the successful federal Historic Tax Credit Program, this program drives private capital to save historic properties, fosters investment in local communities, and creates jobs. According to the State Historic Preservation Office, since its inception in 2011, Minnesota's Historic Tax Credit has generated \$5.9 billion in economic activity and created over 29,000 jobs. For every \$1 invested in the program, nearly \$10 is returned to local communities.

The Minnesota Bankers Association is a trade association established in 1889 which represents approximately 300 member banks in Minnesota, from the largest to the very smallest. Should this legislation pass, we expect many of our members will continue to participate in the program. We thank Rep. Youakim for the introduction of HF 1488 and support its advancement.

Sincerely,

Tess Rice
General Counsel